## **Specification**

Applicants respectfully note that amendments have been made to the specification of the patent application in order to correct informalities that existed therein. As such, Applicants believe that the amendments herein to the patent application do not add new matter to it.

Examiner: Dass, Harish T. Art Unit: 3628

Appl. No.: 09/902,880 10014418-1 35 U.S.C. 101 judicial exception, in that the process claim must set forth a practical application of that judicial exception to produce a real-world result. Benson, 409 U.S. at 71-72, 175 USPQ at 676-77 (invention ineligible because had "no substantial practical application."). "[A]n application of a law of nature or mathematical formula to a ... process may well be deserving of patent protection." Diehr, 450 U.S. at 187, 209 USPQ at 8 (emphasis added); see also Corning, 56 U.S. (15 How.) at 268, 14 L.Ed. 683 ("It is for the discovery or invention of some practical method or means of producing a beneficial result or effect, that a patent is granted . . . "). In other words, the opposite meaning of "tangible" is "abstract." (emphasis added)

In other words, Applicants respectfully submit that the present invention overcomes the tangible non-statutory subject matter requirements of 35 U.S.C. §101 when the invention produces a real-world result, not when the invention outputs or displays the produced tangible real-world result. That is, Applicant understands tangible result to refer to a result that is capable of being understood and evaluated. and therefore regarded as real.

For the above reasons, Applicants respectfully submit that Claims 1-7, 9-15, and 17-23 produce the useful, concrete and tangible result of "a preference policy for an auction to be conducted" That is, the present Claimed invention produces the tangible result of an optimal preference policy to a participating entity in an auction. Moreover, the result, e.g., a preference policy for an auction to be conducted, is capable of being understood and evaluated, and therefore should be regarded as real.

Moreover, Applicants respectfully submit that the actual manner in which the produced results of the preference policy for an auction are displayed, e.g., output to a screen, printed on a piece of paper, placed in a folder, or otherwise presented, are immaterial as to whether or not the results are tangible and are not abstract.

Therefore, Applicants respectfully submit the rejection of Claims 1-7, 9-15, and 17-23 under 35 U.S.C. §101 is improper and should be withdrawn.

Examiner: Dass, Harish T.

Appl. No.: 09/902,880 Art Unit: 3628 15 of 16 10014418-1